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Senate sends JOBS start-up package to governor

LANSING – A bi-cameral, bi-partisan package of bills designed to provide tax incentives for small start-up businesses was passed by the Senate today, announced Sen. Valde Garcia, R-Howell.

The package is the last portion of the initial phase of the JOBS Action plan for revitalizing Michigan's economy, creating and saving jobs and spurring business investment.

"We have been working in the Legislature for several months to develop the reforms that will keep Michigan's economy competitive in these changing times, and it is gratifying to see the final components of JOBS I completed," Garcia said. "These bills need to be signed into law as soon as possible so Michigan residents can start enjoying the economy recovery the rest of the nation is already experiencing."

The bills are designed to encourage the growth of small firms that have the highest potential of creating future jobs and economic growth for Michigan. They would exempt certain businesses from most taxes during their first five years of business – traditionally the toughest years for businesses.

Businesses that qualify would be exempt from property taxes, state and city income tax, as well as the SBT for five years if the firm has no net income. Qualified firms are still subject to sales and use taxes.

"Michigan needs a fresh approach if we are to compete for new businesses and jobs in the new global economy," Garcia said. "Small businesses play a key role in keeping Michigan's economic engine running, and it is in our best interest to see them succeed."

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